



## NOTICE OF CESSATION OF PRACTICE

### (Pursuant to Practice Direction D7)

**Please read the Guidance Notes attached to this form  
All questions should be answered or indicated “not applicable” where appropriate**

1. **The name of the firm is:**
2. **The firm will cease business on: \_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_ (“the date of Cessation”)**  
day/month/year

**(N.B. A minimum period of 8 weeks notice is required.)**

3. **Official announcement of intended cessation.**

The firm hereby authorizes the Society to issue a notice to the general membership of this firm's intention to cease practice on the date of Cessation together with the name and contact details of the firm's Agent.

4. **Contact details of Sole Practitioner/all Partners of the firm ceasing practice:**  
**(Use additional sheets of paper where necessary)**

**Name:**

**Address:**

**Telephone Number:**

**Mobile Number:**

**Fax Number:**

**Email Address:**

**Name:**

**Address:**

**Telephone Number:**

**Mobile Number:**

**Fax Number:**

**Email Address:**

**Address:**

**Telephone Number:**

**Mobile Number:**

**Fax Number:**

**Email Address:**

**5. Details of the Firm's Agent:**

**Firm Name:**

**Name of Contact Person:**

**Address:**

**Telephone Number:**

**Mobile Number:**

**Fax Number:**

**Email Address:**

**6. Location of firm's closed files**

**Address (provide full details of the location):**

**Contact details of responsible person through whom access can be made:**

**Name:**

**Address:**

**Telephone Number:**

**Mobile Number:**

**Fax Number:**

**Email Address:**

**(N.B. Any changes in the contact details must be notified by the person to whom the change relates to the Law Society in writing within 7 days of such change.)**

**7. Transfer of Unclaimed Clients' Accounts to the Agent**

The firm hereby applies to the Council for directions pursuant to Section 8(2) of the Solicitors' Accounts Rules, to transfer on the date of Cessation all remaining balances in the firm's clients' accounts to and to be held by the firm's Agent. The firm shall provide notice in writing to the Society of the amounts transferred to the Agent within 7 days of the date of Cessation, such notice to be countersigned by the Agent by way of acknowledgment.

**8. Firm's Final Accountant's Report**

The firm's Final Accountant's Report, together with any reconciliation statements that may be necessary, will be delivered to the Society within 6 months from the date of Cessation.

**9. Final Employees' Return**

The firm's Final Employees' Return will be delivered to the Society on or before:

\_\_\_\_ / \_\_\_\_ / \_\_\_\_

day/month/year

**(1) Signature of Principal of the firm  
ceasing practice**

**Signature of the firm's Agent**

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**[Print your name clearly underneath  
your signature]**

**Date:**

**(2) Signature of Principal of the firm  
ceasing practice**

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**[Print your name clearly underneath  
your signature]**

**Date:**

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**[Print your name clearly underneath  
your signature]**

**Date:**

**(3) Signature of Principal of the firm  
ceasing practice**

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**[Print your name clearly underneath  
your signature]**

**Date:**



## **GUIDANCE NOTES ON CESSATION OF PRACTICE**

### **1. Notice of Cessation of Practice to the Society**

Notification must be given to the Society *at least 8 weeks before the Cessation* of your practice. Please complete the prescribed form which must be signed by all Principals and the firm's Agent.

### **2. Final Accountant's Report: Accountant's Report Rules ("ARR") and Solicitors' Accounts Rules ("SAR")**

(a) You must deliver a Final Accountant's Report for your firm. The latest date for delivery of the Final Accountant's Report is 6 months from the date the firm ceased practice (Rule 8(2) "ARR").

(b) The Society will confirm the date for delivery of your Final Accountant's Report after receipt of the Notice of Cessation of Practice form ("Cessation Notice").

(c) All outstanding balances in the firm's clients' account must be transferred to the firm's Agent.

(d) If there are outstanding balances remaining in the client account and you do not know to whom it belongs, or you cannot locate the owner, your accountant must disclose full details of these amounts in your Final Accountant's Report.

(e) **Application to Council : Rule 8(2) SAR**

**(i) Pre-Cessation**

An application for directions should be made to the Council for approval to transfer the remaining balances in the firm's clients' accounts to the Agent as at the date of Cessation.

The application is set out in paragraph 7 of the "Cessation Notice".

**(ii) Post-Cessation Application**

The firm's Final Accountant's Report must be filed within 6 months from the date of Cessation. If the Agent cannot obtain instructions in relation to the balances remaining in the clients' accounts at the expiry of the 6 month period, the Agent should make an application for directions to the Council pursuant to Rule 8(2) SAR.

The Agent should apply for approval to transfer all outstanding balances in the clients' accounts to "The Law Society of Hong Kong Educational Trust Fund". If a client subsequently seeks re-imbursement, the Agent can apply for further directions from the Council to release an appropriate sum to satisfy the claim.

(f) The Council has a power to waive in writing any of the provisions of the ARR in any particular case, (See Rule 12 ARR).

**3. Final Notification of Changes to a Practice form**

A Final Notification of Changes to a Practice form will be sent to you by the Society upon receipt of the Cessation Notice.

**4. Final Employees' Return**

A Final Employees' Return must be filed on behalf of the firm.  
See Solicitors' Practice Rules 5(2) and 5(3).

**5. Cessation of Practice Guidelines**

Reference should be made to Law Society Circular 04-224.